

**MINUTES
REGULAR MEETING
UTILITY SERVICE BOARD
AUGUST 16, 2004**

The Regular Meeting of the Utility Service Board of the City of Jasper, Indiana, was held in the Council Chambers of City Hall in Jasper at 7:00 PM on Monday, August 16, 2004.

The meeting was called to order at 7 PM by Chairman Ken Sendelweck who presided.

UPON CALL OF THE ROLL, THE FOLLOWING WERE PRESENT:

Ken Sendelweck – Chairman
Greg A. Krodel – Vice Chairman
Edward J. Kreilein – Secretary
Michael A. Schwenk – Electric Commissioner
Jeffrey S. Theising – Water Commissioner
Mike Harder – Wastewater Commissioner
Dennis L. Hasenour – Gas Commissioner

ALSO PRESENT:

Jerry Schitter – Electric Distribution Manager
Windell Toby – Electric Generation Manager
Thomas A. Lents – Wastewater Manager
Michael A. Oeding – Gas & Water Manager
Kenneth R. Schultz – Business Manager
Sandy Hemmerlein – City Attorney

PLEDGE OF ALLEGIANCE (A-18)

Chairman Ken Sendelweck led the Pledge of Allegiance.

QUOTE OPENING: MOBILE METER READING SYSTEM (A-25)

Sandy Hemmerlein opened the quotes for an Itron mobile meter reading system and read them aloud as follows:

- | | | |
|----|---|-------------|
| 1. | Reed City Power Line Supply
Mooreville, IN | \$33,400.00 |
| 2. | Waller's Meter, Inc.
Madison, IN | \$35,825.00 |
| 3. | Hometown Connections
Ft. Collins, CO | \$32,050.00 |

Attorney Hemmerlein commented that a letter was received from Hughes Supply stating that they were not submitting a quote.

Mike Harder made a motion for Ken Schultz to take the quotes under advisement. Mike Schwenk seconded the motion. Motion approved, 7-0.

APPROVAL OF MINUTES (A-81)

Chairman Ken Sendelweck presented the minutes of the July 19, 2004 meeting and there being no corrections or amendments, asked for a motion to accept. Ed Kreilein made a motion to approve the minutes of the July meeting as presented. Jeff Theising seconded the motion. Motion approved, 7-0.

VACATION OF PUBLIC UTILITY & DRAINAGE EASEMENT (A-89)

Ken Brosmer, representing Streicher Construction, came before the Board to request the vacation of a public utility and drainage easement between Lots #37 & #38 in West View Estates.

Brosmer said the property owner wants to make the two lots into one big lot, so the storm sewer will have to be rerouted.

Dennis Hasenour made a motion to recommend to the City Council the vacation of the public utility and drainage easement as presented. Jeff Theising seconded the motion. Motion approved, 7-0.

VACATION OF PUBLIC STREET – PORTION OF CONTAINER DR. (A-148)

Ken Brosmer, representing Columbus Container, came before the Board to request the vacation of a portion of Container Dr., at the intersection of Hwy US 231 and Co. Rd. 100 S.

Brosmer said the road needs to be reconfigured in order to change the lots. He presented plat maps to show the area.

Ed Kreilein made a motion to recommend to the City Council the vacation of a portion of Container Dr. as presented. Dennis Hasenour seconded the motion. Motion approved, 7-0.

PHASE 2 BUILDING RENOVATION – CERTIFICATE OF SUBSTANTIAL COMPLETION (A-211)

Jerry Schitter reported the building renovation is complete. The punch list has been generated and checked, and there are a few minor items still outstanding.

Ken Schultz presented a certificate of substantial completion and asked for approval to release the retainage of \$19,442.19, subject to completion of the punch list items.

Mike Schwenk made a motion to accept the certificate of substantial completion as presented. Dennis Hasenour seconded the motion. Motion approved, 7-0.

Ed Kreilein made a motion to approve the release of retainage, subject to satisfactory completion of the punch list items. Mike Schwenk seconded the motion. Motion approved, 7-0.

Jerry Schitter commented that the exterior painting and the lettering to identify the building should be completed this week.

APPROVAL TO SELL OLD STEEL POLES TO HUNTINGBURG UTILITIES (A-266)

Jerry Schitter reported that he was contacted by Dave Mulholland of Huntingburg Utilities concerning purchasing old steel street light poles.

Schitter said the poles were deemed as surplus a few months ago prior to the City auction, and asked for Board approval to sell 50 of the poles at \$40 each.

Mike Harder made a motion to approve the sale of 50 old green steel street light poles for \$40 each to Huntingburg Utilities. Jeff Theising seconded the motion. Motion approved, 7-0.

ELECTRIC PURCHASE POWER PROPOSALS FOR 2005 (A-294)

Jerry Schitter reported he received power proposals from Vectren, DTE Energy, Cinergy, and AMP Ohio. Schitter said Cinergy did not bid for 2005, but would like to bid for 2006 and beyond.

After analyzing the proposals, the lowest proposal was submitted by Vectren, which is the City's present provider.

Schitter said the new Vectren contract language would mirror the present contract language, and the new contract would be effective from January 1, 2005 – December 31, 2005.

Schitter said the big advantage of the Vectren contract is that it allows us to utilize our power plant to its best potential.

Chairman Sendelweck reported that the proposals were reviewed at an Electric Planning Committee meeting on Friday, August 13th. Sendelweck said MISO continues to be one of the biggest uncertainties.

Ken Schultz said a rate study and cost of service study would be done next year in order to hopefully have a more firm commitment as to what MISO is all about.

Schitter said the contract reflects an 8% - 9% increase in price. About half of that is projected in generation costs and the other half is on transmission costs, which is in direct relation as to how the MISO is going to increase their rates.

Mike Schwenk made a motion to approve the new contract with Vectren, subject to satisfactory contract language, and to allow Sandy Hemmerlein to consult with Mike Cracraft if necessary. Dennis Hasenour seconded the motion. Motion approved, 7-0.

PHOENIX RECYCLING TECHNOLOGIES (A-401)

Windell Toby reported that the ash disposal contract with Phoenix Recycling Technologies would be expiring effective December 15, 2004.

Toby said he is going to seek quotes for a company to dispose of the ash and a trucking company to haul the ash.

Toby said hopefully he would have more information at the next meeting.

ELECTRIC PLANNING COMMITTEE REPORT (A-415)

Mike Schwenk stated that the Electric Planning Committee held a meeting on August 13th, but he didn't have anything further to report since most of the material was already discussed earlier.

100 S. WATER EXTENSION PROJECT – RELEASE OF RETAINAGE (A-418)

Mike Oeding reported that the Co. Rd. 100 S. Water Extension project is far enough along to release the retainage.

Ken Schultz reminded the Board that the certificate of substantial completion was accepted at the July meeting, and asked for approval to now release the retainage.

Ed Kreilein made a motion to release the retainage on the 100 S. Water Extension project. Jeff Theising seconded the motion. Motion approved, 7-0.

UPDATE – MERIDIAN RD. PROJECT (A-426)

Mike Oeding reported the gas and water lines are relocated and the project is 100% complete.

UPDATE – ST. JOE'S PROJECT (A-428)

Mike Oeding stated the project hasn't really progressed since last month.

LECHNER LANE & S.R. 56 PROJECT (A-433)

Mike Oeding reminded the Board that last month they discussed utilizing the remaining SRF money for this project on S.R. 56. At the time, the plan was to relocate the Ireland meter pit at the end of the City limits, but there was opposition from property owners and the Ireland Water Utility didn't like the idea of giving up some of their customers. The new plan is to move the relocation to a different site, which eliminates the need to relocate the lines along S.R. 56 and makes the project simpler.

Oeding said the topic was discussed at the joint Gas & Water Planning Committee meeting last Friday, and they agreed to let those remaining funds go back to SRF to reduce our payment back to SRF by that amount, and to pursue the meter pit project on our own.

Mike Schwenk made a motion to reverse the motion from the July meeting, and to pursue the project on our own, and to not use the remaining SRF funds. Jeff Theising seconded the motion. Motion approved, 7-0.

Ken Schultz stated he received and processed the final invoice from Commonwealth and the financing part of the original project is complete.

Ed Kreilein made a motion to close out the SRF portion of the project. Greg Krodel seconded the motion. Motion approved, 7-0.

APPROVAL TO SEEK QUOTES – IRELAND METER PIT (A-488)

Mike Oeding asked for approval to seek quotes to purchase a pre-fab pit for the meter pit project. He estimates the cost to be \$30,000.00. Oeding said we will provide the water meter, but there will be a CLA valve and some telemetering that Ireland will pay for.

Mike Oeding commented that there only two companies that he is aware of that provide the pre-fab pit.

Mike Harder made a motion to allow Mike Oeding to seek quotes, and to allow him to seek only 2 quotes since he is only aware of 2 companies that sell the pre-fab pit. Jeff Theising seconded the motion. Motion approved, 7-0.

APPROVAL TO REPLACE PART-TIME EMPLOYEE (A-516)

Mike Oeding asked for approval to replace Bob Hochstetler, a part-time employee who is retiring. Oeding said Hochstetler averaged less than 35 hours a week working on the crew and mowing for the gas and water utilities.

Ed Kreilein made a motion to approve the replacement of a part-time employee as presented. Dennis Hasenour seconded the motion. Motion approved, 7-0.

APPROVAL TO ENTER INTO CONTRACT FOR MOWING SERVICES (A-538)

Mike Oeding asked for Board approval to enter into a contract with Tom Eckert for mowing services. Oeding said Tom Eckert presently does the mowing at the water towers, the Beaver Lake Dam, etc., because of the equipment required to mow those areas.

Oeding said Eckert's worker's compensation insurance is now through Eckert's Pool Supply and since there has never been a contract in place, it would be a good time to establish one.

Jeff Theising made a motion to approve the contract for mowing services with Eckert's Pool Supply. Mike Schwenk seconded the motion. Motion approved, 7-0.

WATER LINE EXTENSION REQUEST – CO. RD. 100 S. (A-559)

Mike Oeding reminded the Board of the original plan to run the water line for the Co. Rd. 100 S. Park. It was originally going to come off of Kimball's property and straight into the City Park, but with no possibility of getting any revenue from it, the plan was changed to run the line down Co. Rd. 100 S. The change would provide a bigger main for expansion and a greater possibility of revenue.

Oeding said he was approached concerning a request for a water extension to a house on the Old Huntingburg Road, but the property would not be contiguous to the water main on Co. Rd. 100 S., which is required by policy.

After some discussion, Oeding recommended allowing the owners to extend a 6" water main at their own expense, from Co. Rd. 100 S. into an easement that would be granted to the City. Oeding didn't have a problem allowing it since they are on the end of the system, and for their health reasons, due to an unsafe well, but he wants this to be a "one time only" exception.

Oeding said this is only the first step, not a formal request for water service from the property owner.

Jeff Theising made a motion to approve the recommendation made by Mike Oeding, if the property owner requests water service. Mike Schwenk seconded the motion. Motion approved, 7-0.

GAS PLANNING COMMITTEE REPORT (A-717)

Dennis Hasenour stated he had no report for the Gas Planning Committee.

WATER PLANNING COMMITTEE REPORT (A-718)

Jeff Theising stated the Water Planning Committee met on Friday, August 13th, and most of the material was discussed earlier.

Sandy Hemmerlein stated the committee discussed the fate of the old Gas & Water building at 2350 Terry Lane since there was no interest at the auction that was held last month.

Hemmerlein said by law we can advertise for another auction, but may reject any bid received.

The Water Planning Committee recommended contacting all of the people who had previously expressed an interest in the building, and holding a second auction on September 13, 2004 at 6:00 PM.

Jeff Theising made a motion to approve advertising for a second auction on the property, and on the night of the auction, Mike Oeding and the Mayor would have final authority to accept or reject any bids. Mike Harder seconded the motion. Motion approved, 7-0.

WASTEWATER PLANNING COMMITTEE REPORT (A-758)

Mike Harder stated there had not been a meeting to report on.

RESOLUTION – 2005 SALARIES & WAGES (A-760)

Ken Schultz presented a resolution recommending salaries and wages for Utility Employees for 2005.

The proposed salary and wage adjustments are as follows:

1. An increase of 3% for all full-time hourly & salary positions
2. An increase of 25 cents per hour for all permanent part-time positions.
3. An increase of 20 cents per hour for temporary or seasonal part-time positions
4. Plus other organizational and salary wage adjustments within the City

Mike Schwenk made a motion to accept the 2005 Salary and Wage Resolution as presented. Mike Harder seconded the motion. Motion approved, 7-0.

RESULTS OF VEHICLE QUOTE OPENING (B-32)

Ken Schultz reported the low bid for the meter reading vehicle was from Uebelhor & Sons for \$17,945.00 for a Chevy Astro cargo van, which met all specifications.

Greg Krodel made a motion to accept the low bid of \$17,945.00 from Uebelhor & Sons. Mike Schwenk seconded the motion. Motion approved, 7-0.

RESULTS OF MOBILE METER READING SYSTEM QUOTE OPENING (B-49)

Ken Schultz reviewed the quotes for the Itron mobile meter reading system opened previously at the meeting and reported that the low bid was from Hometown Connections for \$32,050.00.

Ed Kreilein made a motion to accept the low bid of \$32,050.00 from Hometown Connections. Jeff Theising seconded the motion. Motion approved, 7-0.

FINANCE COMMITTEE REPORT & PRESENTATION OF CLAIM DOCKET (B-70)

Ed Kreilein reported the Finance Committee had met and reviewed the claims on the Claim Docket.

Also presented were claims on behalf of Commonwealth Engineering in the amount of \$1,238.00, representing final construction services related to the Water Tank Rehabilitation project which will be submitted to the State Revolving Loan Fund for payment after Utility Service Board approval.

Also presented were claims on behalf of Commonwealth Engineering, Inc. in the amount of \$1,770.81, representing engineering services relating to the Titan liquidated damages issue for the Wastewater Project. SRF and BIF funds have been exhausted, therefore after Utility Service Board approval, the above reference claims will be paid from Wastewater funds.

The Finance Committee recommended approval of the claims as presented.

Dennis Hasenour made a motion to accept the claims as presented. Jeff Theising seconded the motion. Motion approved, 7-0.

RESOLUTION WAIVING AVAILABILITY FEE FOR AREAS BEING ANNEXED (B-95)

Sandy Hemmerlein reminded the Board that the availability fee of \$2,000 is assessed to people connecting to the sewer outside the City limits.

Sandy Hemmerlein stated that in the past we have had people in our sewer projects and other people on their own who have petitioned to annex into the City and before they are annexed, they apply to connect to the sewer. And also in the past, each petition was presented to the Utility Service Board and the City Council on an individual basis, then the availability fee would be waived on the condition that an agreement would be signed agreeing to pay the \$2,000 fee if for any reason the annexation would fall through.

Hemmerlein said the question now is if it is equitable to waive the fee. She said she discussed it with the Mayor and he suggested amending the ordinance to make this an automatic procedure.

Hemmerlein read the resolution in its entirety.

Mike Schwenk made a motion to accept the resolution recommending to the City Council to waive the availability fee for areas being annexed. Ed Kreilein seconded the motion. Motion approved, 7-0.

There being no further business to come before the Board, the meeting was adjourned at 8:19 PM upon motion by Dennis Hasenour and second by Greg Krodel. Motion approved, 7-0.

Attest: _____
Secretary

Chairman